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San Diego Coalition for Fair Banking

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April 10, 2006

John F. Carter, Regional Director
FDIC – San Francisco Regional Office
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105

Dear Mr. Carter,

The San Diego Coalition for Fair Banking is a countywide coalition of over 140 organizations and individuals concerned with the accessibility of banking services for low-income families and individuals. As an organization, we oppose Wal-Mart's application to establish an industrial loan company because we feel it would further hinder our constituency's access to reasonable financial services. Both Wal-Mart's history and present behavior leave too many questions for us to feel secure in allowing it to broaden its operations to include industrial bank status.

Wal-Mart has shown that it is willing and able to use its size to eliminate competition in any area it develops. We fear that this behavior would carry into their financial operations should this application be approved. The function of offering Certificates of Deposits to nonprofit organizations and individuals only reinforces this fear. Additionally we see this application as a gateway for further incursions into this type of business. If successful, there would be no reason for Wal-Mart to return to the FDIC to reapply for a charter that would allow them to move into retail banking. If they were to breach that wall, it would significantly weaken the healthy competitiveness within the retail banking industry.

Lastly, we are concerned that there are no public hearings scheduled for the west coast. The exclusion of the west excludes a significant number of people from the public hearing process and we request such a hearing be scheduled.

Sincerely,

William T Oswald, Ph.D.
Chair